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**Montana Department of Commerce Awards over \$1.3 Million in
Housing Projects to Local Communities**
*Butte-Silver Bow, the Town of Circle, and
Lewis and Clark County Share CDBG Funds*

(HELENA) – The Montana Department of Commerce has awarded \$1,350,000 in federal Community Development Block Grant (CDBG) funds to three Montana communities. Butte-Silver Bow, the Town of Circle, and Lewis and Clark County will receive housing grants to assist low and moderate income families.

“The CDBG Program is vital to helping hard-working families, seniors and our most vulnerable citizens across Montana and I strongly support it,” said Governor Brian Schweitzer. “Projects like these make a real difference in people’s lives.”

“This funding will significantly improve the living conditions of the families and senior citizens in these communities,” said Montana Department of Commerce Director Anthony Preite.

“Having a solid roof over your head is a very basic need. It provides a stable foundation for our communities and in turn, that creates successful local economies.”

Butte-Silver Bow will receive \$450,000 for the construction of a new facility called Gilder House, which will provide community-based care for persons whose mental illness has risen to an acute psychiatric crisis. Gilder House will provide crisis stabilization for the local Butte community including emergency detention with both secure beds and voluntary crisis stabilization beds. The facility will also provide 24 hour - 7 day care by mental health

professionals. The closest “secure bed” facility is located 25 miles away at the State Hospital at Warm Springs.

The Town of Circle was awarded \$450,000 for a Housing Rehabilitation and Demolition Project that will address housing improvement needs. This project would include housing rehabilitation and energy conservation assistance to 16 low or moderate income residents, a historic inventory of the town, demolition of six vacant, severely substandard properties, and down payment assistance to two first-time homebuyers. Nearby Nelson Creek is a potential coal development site for the proposed Great Northern coal project. The community hopes the rehabilitation efforts will make Circle more attractive for residential and commercial investment, particularly if the Great Northern coal project moves forward.

Lewis and Clark County will receive \$450,000 for the rehabilitation of Eagles Manor II in Helena, a facility which provides affordable housing for elderly and disabled citizens. The project is a partnership with Rocky Mountain Development Council, Inc. (RMDC) and would make much-needed repairs and improvements in forty-three apartment units located within the Eagles Manor II facility. The facility was built in 1976 and renovation is necessary to meet the growing demand for safe elderly and disabled housing in the Helena area and to preserve existing affordable senior and disabled housing. The roof, heating, and cooling system have exceeded their life expectancy and are energy inefficient and proving costly to repair and maintain. In addition, plumbing does not meet current building codes.

CDBG funds come to Montana through the U.S. Department of Housing and Urban Development (HUD). The Montana Department of Commerce manages the funds under an agreement with HUD. CDBG applications are evaluated and ranked by Commerce staff based upon established criteria.

For over thirty years, the CDBG Program has played a primary role in meeting Montana’s critical infrastructure and housing needs. In recent years, CDBG funding has declined while the needs of local communities and the cost of community projects have increased. Montana’s local governments are now facing serious affordable housing and infrastructure needs. The Bush Administration’s 2008 budget proposes a 21% cut in CDBG funds. These newest proposed cuts would increase the total amount of CDBG funds lost in the last five years to 35%.

Members of Montana’s congressional delegation are currently fighting to restore CDBG funding. Senator Max Baucus and Senator Jon Tester have joined 59 other senators in supporting an eleven percent increase over the 2007 budget level.

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